



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS

Dennis Kennedy, Mayor
Mark Grzan, Mayor Pro Tempore
Larry Carr, Council Member
Greg Sellers, Council Member
Steve Tate, Council Member

REDEVELOPMENT AGENCY

Dennis Kennedy, Chair
Mark Grzan, Vice-Chair
Larry Carr, Agency Member
Greg Sellers, Agency Member
Steve Tate, Agency Member

WEDNESDAY, NOVEMBER 8, 2006

AGENDA

JOINT MEETING

SPECIAL CITY COUNCIL MEETING

AND

SPECIAL REDEVELOPMENT AGENCY MEETING

6:00 P.M.

*A Special Meeting of the City Council and Redevelopment Agency
is Called at 6:00 P.M. for the Purpose of Conducting Closed
Sessions.*

Dennis Kennedy, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2
(City Clerk/Agency Secretary Torrez)

6:00 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

Authority:	Pursuant to Government Code 54956.9(a)
Case Name:	Tichinin v. City of Morgan Hill
Case Number:	Santa Clara County Superior Court, Case No. 1-05-CV-046112
Attendees:	City Manager; City Attorney; Special Counsel Timothy J. Schmal

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

RECOGNITIONS

CITY COUNCIL REPORT

Council Member Tate

CITY COUNCIL COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND**

PRESENT IT TO THE CITY CLERK.
(See notice attached to the end of this agenda)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council and Redevelopment Agency Action

ADOPTION OF AGENDA

Redevelopment Agency Action

PUBLIC HEARINGS:

Time Estimate

Page

1. 45 Minutes **REDEVELOPMENT PLAN AMENDMENTS NO. 4 and NO. 5 AND THE FINAL
PROGRAM ENVIRONMENTAL IMPACT REPORT**

..... Public Hearing Opened
Please Limit Your Remarks to 3 Minutes. Public Hearing Closed
Council Discussion.

Recommended Actions:

- 1) Approve Redevelopment Agency (Agency) resolution transmitting Report to the City Council and the proposed Redevelopment Plan Amendments No. 4 and No. 5 from the Agency to the City Council,
- 2) Conduct Joint Public Hearing,
- 3) Approve Agency resolution certifying Final Program Environmental Impact Report (FEIR),
- 4) Approve City resolution certifying FEIR,
- 5) Select the recommended detachment area No. 2,
- 6) Introduce City ordinance making findings and approving and adopting Amendments No. 4 to the Community Development Plan of the Ojo De Community Development Project, and
- 7) Introduce City ordinance making findings and approving and adopting Amendments No. 5 to the Community Development Plan of the Ojo De Community Development Project

FUTURE COUNCIL/AGENCY-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

NOTICE

AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

NOTICE

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.



**REDEVELOPMENT AGENCY/CITY COUNCIL
STAFF REPORT**

MEETING DATE: November 8, 2006

Agenda Item #

Prepared By:

BAHS Director

Submitted By:

Executive Director

**REDEVELOPMENT PLAN AMENDMENTS NO. 4 and NO. 5 AND THE
FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT**

RECOMMENDED ACTION(S):

- 1) Approve Redevelopment Agency (Agency) resolution transmitting Report to the City Council and the proposed Redevelopment Plan Amendments No. 4 and No. 5 from the Agency to the City Council,
- 2) Conduct Joint Public Hearing,
- 3) Approve Agency resolution certifying Final Program Environmental Impact Report (FEIR),
- 4) Approve City resolution certifying FEIR,
- 5) Select the recommended detachment area No. 2,
- 6) Introduce City ordinance making findings and approving and adopting Amendments No. 4 to the Community Development Plan of the Ojo De Community Development Project, and
- 7) Introduce City ordinance making findings and approving and adopting Amendments No. 5 to the Community Development Plan of the Ojo De Community Development Project

EXECUTIVE SUMMARY: In November 2005, the Agency considered a feasibility study to amend the Redevelopment Plan and directed staff to prepare an amendment and EIR for the Plan Amendment. As the current tax increment cap will be reached in January 2008 and substantial improvements are still needed in the Project Area, we are proposing two amendments to the existing Plan which have the following key provisions:

Amendment No. 4

- Repeal the debt incurrence limit
- Increase the tax increment limit by \$333M
- Extend the tax increment and Plan effectiveness dates by three years
- Re-establish and increase the bond limit to maximum of \$150M

Amendment No. 5

- Re-establish very limited eminent domain authority for non-residential properties

In addition, to reflect the "completed" status of a significant portion of the existing project area, and to reduce the financial impacts of increased limits on the various local taxing entities, the Agency is proposing to remove certain areas that no longer need redevelopment assistance. Doing so will provide an immediate increase in revenues for Morgan Hill, Santa Clara County, and other local taxing agencies. We have provided two detachment areas for the Agency/Council to consider. Staff and the Community and Economic Development Committee are recommending the adoption of detachment area No. 2 in the Report to the City Council (see Section 6.0).

The attached "Report to the City Council" (Report) Council provides a comprehensive documentation of the entire redevelopment amendment process. The Report includes a Community Outreach section which contains the notes from each community meeting. These meetings notes were also provided to the City Council under a separate cover. As part of our public outreach process, we held three town hall meetings and one meeting for a predominantly Spanish speaking audience. One of the town hall meetings focused specifically on the issue of eminent domain.

The above recommended actions are required per the Redevelopment Amendment process. With regard to the FEIR, the Agency/City received a copy of the FEIR under a separate cover. A copy of the Planning Commission staff report and resolution is provided as background information for the FEIR. The Agency may modify any provisions of Amendments No. 4 and/or No. 5 prior to adoption or chose not to adopt a particular amendment after consideration.

FISCAL/RESOURCE IMPACT: The estimated costs to have GRC prepare the Plan Amendment and EIR is about \$200,000. The public outreach process and required public notices are estimated to cost about \$30,000.